

# CITY OF LINCOLN

Request for: ☐ Ordinance  
☒ Resolution

(Do Not Write in this Space)

Bill Control No.

Date:

Docketing Date

(To Be Entered by City Clerk)

<b>DATE</b> February 27, 2008	<b>REQUEST MADE BY</b> Bruce Dart, Health Director	<b>DEPARTMENT</b> Health
<b>DESIRED DOCKET DATE:</b>	IF EMERGENCY, GIVE REASON (See Art. 6, Sec. 2 of Charter)	
<b>Emergency Measure Required:</b> <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No		

## REASONS OR JUSTIFICATION FOR PROPOSED LEGISLATION

The City is required to have a kennel facility to house animals impounded by Animal Control. Municipal Code 6.08.210 Contract for Services allows the city to enter into contract with the Capital Humane Society. The proposal negotiated or offered by the Society is a 4 year contract which requires City Council action.

<b>REQUESTOR</b> X DOES <input type="checkbox"/> DOES NOT	WISH TO REVIEW AND APPROVE THIS ORDINANCE PRIOR TO ITS INTRODUCTION	<i>Bruce A. [Signature]</i> DIRECTOR'S SIGNATURE	<i>2/26/68</i> DATE
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**TO BE USED BY THE FINANCE DEPARTMENT**

BUDGET REVIEW	DATE:	ACCOUNT NUMBER AND APPROPRIATE BALANCES	DATE:	FUND AVAILABILITY APPROVED	DATE:
			DIRECTOR OF FINANCE SIGNATURE		

<p><b>DISTRIBUTION</b> Return two (2) copies to City Clerk for Docket Number</p>
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# GENERAL FACT SHEET

08R-77  
BILL NUMBER

## BRIEF TITLE

## APPROVAL DEADLINE

## REASON

Kennel Contract with  
Capital Humane Society

May 2008

Proposed Budget Development

## DETAILS

## POSITIONS/RECOMMENDATIONS

<p>The City is authorized by 6.08.210 Contract for Service to enter into a contract with a humane society or like institution for the purpose of carrying out the provisions for an animal shelter. A contract proposal has been negotiated with the Capital Humane Society for a 4 year contract.</p>	Sponsor	Health Dept./Animal Control, Mayor's Office
	Program Departments, or Groups Affected	Animal Control Division/Police & Fire Dept Law Dept
	Applicants/Proponents	Applicant-Animal Control/Health Dept  City Department-Health/Mayor's office  Other
<p>Discussion (Including Relationship to other Council Actions)</p> <p>A kennel contract request for proposal No. 08-005 was developed by Purchasing Division and bids were opened January 23, 2008. The Capital Humane Society was the only bid received which had a quote for \$45.00 per day per animal or \$440,000 plus 3% inflation. The city offered \$390,000 per year plus 3% inflation. This was not accepted. After further negotiations, the following was proposed by the Humane Society:</p> <p>year 1     \$390,000 year 2     \$420,000 year 3     \$450,000 year 4     \$480,000</p> <p>It should be noted the \$45 per day per animal would have an estimated cost of \$540,000 per year. The final offer from the Humane Society would save \$100,796 from the bidded flat fee of \$440,000 plus 3% per year. The Board of Health approved the 4 year offer from the Humane Society and recommend Council action on this offer.</p>	Opponents	Groups or Individuals None, identified within the city. One boarding kennel operator outside the city who did not submit a bid.  Basis of Opposition cost
	Staff Recommendations	X For <input type="checkbox"/> Against Reason Against
	Board or Commission Recommendation	BY Board of Health February 12, 2008 X For <input type="checkbox"/> Against <input type="checkbox"/> No Action Taken <input type="checkbox"/> For with revisions or conditions (See Details column for conditions)
	CITY COUNCIL ACTIONS (For Council Use Only)	<input type="checkbox"/> Pass <input type="checkbox"/> Pass (As Amended) <input type="checkbox"/> Council Sub. <input type="checkbox"/> Without Recommendation <input type="checkbox"/> Hold <input type="checkbox"/> Do not Pass

## DETAILS

### POLICY/PROGRAM IMPACT

	POLICY OR PROGRAM CHANGE	X NO <input type="checkbox"/> YES  The Capital Humane Society is currently providing kennel services.
	OPERATIONAL IMPACT ASSESSMENT	The contract would be for 4 years vs. 1 year as previous contracts.  
<b>FINANCES</b>		
	COST AND REVENUE PROJECTIONS	COST of total project: \$ 390,000 1 <sup>st</sup> yr COST of this Ordinance/ Resolution Total 1,740,000-- 4yrs.
		RELATED annual operating Costs \$-0-
		INCREASE REVENUE EXPECTED/YEAR \$ -0-
	SOURCE OF FUNDS	CITY [Approximately] Year 1 Gen Tax \$ 390,000 % 100 Year 2 Gen Tax \$ 420,000 % 100 Year 3 Gen Tax \$ 450,000 % 100 Year 4 Gen Tax \$ 480,000 % 100  NON CITY [Approximately] \$ -0- % \$ % \$ %
	<b>BENEFIT COST</b>	
	<input type="checkbox"/> Front Foot	Average Assessment
	<input type="checkbox"/> Square Foot	\$ _____ \$ _____

APPLICABLE DATES: The contract would be effective September 1, 2008 to August 31, 2009 and 3 years following for the same time period.

FACT SHEET PREPARED BY: Jim Weverka, Animal Control Manager for Bruce Dart, Health Director

REVIEW BY:

REFERENCE NUMBER



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February 12, 2008

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Rick Hoppe  
Aide to Mayor Chris Beutler  
Mayor's Office  
555 South 10th  
2<sup>nd</sup> Floor, Room 208  
Lincoln, NE 68508

Re: Capital Humane Society Proposal

Dear Mr. Hoppe:

The City of Lincoln recently issued a Request for Proposals to provide kenneling services for animals picked up by Animal Control. The Capitol Humane Society (CHS) was the only bidder. In response to the format of the RFP we proposed a payment per animal that would cost the City an estimated \$540,000 annually, depending on the number of animals we had to kennel. To save the City money we offered an alternative in our proposal to provide kenneling services for an annual payment of \$440,000. In negotiations with you and Bruce Dart, Director of the Health Department, we further reduced our proposed payment to \$390,000 the first year, increasing by \$30,000 for each of the next three years and by 3% each year thereafter. Now you want to reduce our proposed payments further. Our response is respectfully, no.

We understand the City's desire to reduce costs. However, the City needs to understand that CHS has been subsidizing your kenneling services with private donations for nearly thirty years. CHS has been a bargain for the City for decades at the expense of better services and facilities for the animals of Lincoln. The increase in the population of animals that we handle in our small facility has resulted in an alarming euthanasia rate and damaging wear and tear on our facility. We are a small, low-cost, private, non-profit agency dedicated to serving our community. We have tried to be as cooperative as we can be with the City of Lincoln. However, the CHS subsidy to the City must stop. The City must start paying a reasonable reimbursement for kenneling services. It is only fair. We believe our original proposal is more than reasonable and we are willing to phase in the higher payments to accommodate the City. Considering the money we save and have saved the City, that is our final offer and a bargain at that. It is time to resolve this issue and to move forward.

Sincerely

A handwritten signature in dark ink, appearing to read "Jeanelle R. Lust".

Jeanelle R. Lust  
President Capital Humane Society

RECEIVED

FEB 13 2008

MANAGER OFFICE

TOTAL P.02

## **ANIMAL CONTROL/KENNELING SERVICES TIMELINE**

<b>2003-2004</b>	Contract signed for period October 1, 2003 – September 30, 2004. \$13,208.72/month \$158,504.64/year
<b>Summer 2004</b>	RFP issued for 2004-2005 contract year. CHS bid \$253,080 for 2004-2005 year.  Second RFP issued for 2004-2005 year. CHS only bidder, restating \$253,080 as its bid.
<b>May 25, 2005</b>	CHS writes letter indicating they will no longer provide services for City of Lincoln after June 30, 2006.
<b>June 2005 – Nov. 2005</b>	City staff explores property options, six other potential kennel providers. Also explored options with nine veterinary clinics.
<b>November 2005</b>	RFP issued to potential providers. One bid received (Wilderness Kennels).
<b>December 2005</b>	Second RFP issued to potential providers. One bid received (Paradise Kennels).
<b>January 14, 2006</b>	Mayor and Mayor's staff and Health Director meet with CHS Board to ask if willing to reconsider.
<b>January 30, 2006</b>	City receives letter from CHS reconfirming decision to discontinue services.
<b>November 22, 2006</b>	RFP issued for options to: lease and renovate space for municipal shelter; lease/purchase; build on City land, etc.
<b>August/Sept, 2007</b>	Meeting with Mayor Beutler, Council, Health Dept staff, and HDR to review status of animal control/kenneling proposals. Costs associated ranged from \$1,882,285 - \$3,390,172 for animal control and kennel services including facility costs.
<b>September/Oct, 2007</b>	CHS indicates willingness to provide kennel services.
<b>December 2007</b>	RFP issued for kennel services.
<b>January 2008</b>	CHS only bid received for kennel services.

**Capital Humane Society  
Proposed Costs 2008-09**

***The CHS RFP:***

The RFP allowed the City a choice based on either a per animal cost or a flat fee:

**Per Animal**

Daily rate of \$45.00 per animal. State law requires Animal Control to hold animals 3 days for possible reclamation. Dogs are typically claimed in 2 days. Cats are usually not reclaimed, incurring a full 3 days of costs. Animal Control estimates that each animal is held 2.4 days.

\$45.00 per animal, 2.4 days per animal

City picks up approximately 5,000 animals per year

Anticipated cost per year \$540,000.00

**Flat Fee**

\$440,000.00

Plus 3% inflation  
per year

Year 1 \$440,000.00

Year 2 \$453,200.00

Year 3 \$466,796.00

Year 4 \$480,780.00

**Negotiated Rate**

After negotiations, CHS representatives agreed to change the structure of their offer

Year 1 \$390,000.00

Year 2 \$420,000.00

Year 3 \$450,000.00

Year 4 \$480,000.00

The new offer saved \$100,796 from the flat fee proposal.

**Negotiated Rate Offer #2**

The City offered \$390,000 per year plus a three percent annual increase for inflation. The offer was not accepted (see letter).